



Council Communication

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: BRIAN RUFFENTINE, DIVISION CHIEF

THROUGH: COLLIN DEWITT, FIRE CHIEF

MEETING DATE: SEPTEMBER 20TH, 2012

SUBJECT: RENEWAL OF CONTRACT #2012-3002-0116 WITH CENTRAL ARIZONA COLLEGE

STRATEGIC INITIATIVE: Financial Plan

This Council Communication supports our Financial Plan Strategic Initiative by creating a revenue source within the Fire Department

LEGAL REVIEW

☒ Complete

☐ N/A

FINANCIAL REVIEW

☒ Complete

☐ N/A

RECOMMENDED MOTION

MOTION TO RENEW CONTRACT #2012-3002-0116 FOR INTERGOVERNMENTAL AGREEMENT WITH CENTRAL ARIZONA COLLEGE FOR A TERM OF 1 YEAR, AND AUTHORIZE THE MAYOR TO EXECUTE THE REQUIRED DOCUMENTS.

BACKGROUND/DISCUSSION

The Town of Gilbert ("Gilbert") entered into a contract with Central Arizona College on the 19th day of September 2011 for Support Service. This Contract includes an option to renew for (5) five additional (1) one year terms. The current contract ends the 18th day of September 2012. The Gilbert Fire Department provides cleaning and inspection of personal protective equipment (turnouts) to Central Arizona College through this IGA.

The Contract was reviewed for form by Attorney Susan Goodwin.

FINANCIAL IMPACT

This IGA creates a revenue source for the Town. The Contract price to CAC will remain the same upon renewal as outline in original contract "Exhibit A".

The financial impact was reviewed by Kurt Sharp, Budget Analyst.

STAFF RECOMMENDATION

Staff recommends that the Town Council renew Contract #2012-3002-0116 for an IGA with Central Arizona College for a term of (1) one year with the option to extend four more terms.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brian Ruffentine", with a long horizontal flourish extending to the right.

Brian Ruffentine
Division Chief

Attachments and Enclosures:

Due Diligence Checklist for Renewal

Contract # 2012-3002-0116
Contract Name: IGA Turnout Service
Contractor: Central Arizona College

Original Contract Term: 1 year with (4) renewals _____

Renewal Term: 1 year _____

Will contract prices be increased for the Renewal Term? Yes _____ No X
Does contract provide for a CPI price increase on renewal? Yes _____ No X
Does contract give the Town discretion to approve price increase requested by contractor? Yes X No _____ If so, attach contractor's written request.
Describe proposed price increase: Renewal does not have a price increase

Will areas be added or deleted during the Renewal Term? Yes _____ No X
If areas will be added, will the Contractor be paid using an existing contract unit price (for example: price/square foot or price/hour)? Yes _____ No _____
If No, then the Town Council must approve renewal.

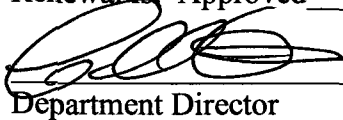
Have you checked current pricing offered by other contractors?
Yes _____ No X Attach copies of your research.

Did you contact Jess Romney, Purchasing Specialist, for assistance on comparing pricing? Yes _____ No X Attach copy of his response.

Additional comments: This is to renew an IGA with Central Arizona College for Gilbert to provide turnout cleaning and inspection for them.

Form completed by: Brian Ruffentine Telephone No. (480) 503-6901

Renewal is: Approved _____ Denied _____ Provide me with More Information _____



Department Director

9-10-12

Date

Copy to: Town Clerk's Office

August 29, 2012

Central Arizona College
8470 North Overfield Road
Coolidge, Arizona 85128

Re: Renewal of Contract # 2012-3002-0116

Dear Vice President of Finance and Administration:

This letter constitutes written notice by the Town of Gilbert of its intention to renew the Intergovernmental Agreement for Support Services Contract #2012-3002-0116 dated September 20th, 2011 for the period commencing September 20th, 2012 and continuing through September 19th, 2013. This notice is being given pursuant to Paragraph D of the current contract.

It is our understanding that your company is willing to renew the Contract with the current pricing.

If you agree to renew the current contract subject to the changes as set forth in the enclosed Renewal, please return the enclosed Renewal to us along with your renewed current commercial application certification, copies of driver's licenses of employees servicing Gilbert, business or contractor license, performance bond, labor and materials bond, and certificate of insurance as required in the contract no later than September 10th, 2012.

The Town Council is expected to act on this request at its meeting on September 20th, 2012.

Please contact me immediately at (480) 503-6901 if you should have any questions.

Sincerely,

Brian Ruffentine
Division Chief
Gilbert Fire Department

Attachments: Renewal Contract

RENEWAL OF GILBERT
CONTRACT #2012-3002-0116

WHEREAS, the Town of Gilbert, a municipal corporation organized and existing under and by virtue of the laws of the State of Arizona, hereinafter referred to as "Gilbert" and Central Arizona College, an Arizona Community college district, hereinafter designated as "CAC" entered into a Agreement for Support Service. THIS AGREEMENT ("Agreement") is entered into as of the 20th day of September 2012. Gilbert and CAC are referred to collectively in this Agreement as the "Parties" and each individually as a "Party".

WHEREAS, Gilbert and Contractor have mutually agreed to renew the Contract for a term and price specified below;

NOW, THEREFORE, the parties agree as follows:

1. The Agreement for Support Services entered into by Gilbert and CAC on September 20th, 2012, is hereby renewed for a period of 1 year commencing September 20th, 2012 and continuing through September 19th, 2013 ("the Renewal Term").

The Contract is renewed for the Renewal Term with the current pricing, as set forth in Exhibit A.

2. As part of this renewal, Contractor shall provide Gilbert with current commercial application certification, copies of driver's licenses of employees servicing Gilbert, business or contractor license, performance bond, labor and material bond, and insurance certificates, as required in the Contract Documents. Copies of such documents are attached hereto.

3. During the Renewal Term, the following additional terms and conditions apply:

a. Authority to Renew. The Gilbert Fire Department Director has authority to approve any subsequent renewal after the Renewal Term, including changes in the scope of work, provided that: (1) the Contract amount does not exceed \$50,000; (2) the original prices remain in effect during the Renewal Term; or (3) the contract unit pricing does not increase or the contract pricing is adjusted pursuant to the terms and conditions of the Contract.

b. Invoices submitted after the close out of the fiscal year (August 1st) shall not be paid by Gilbert.

c. Immigration Law Compliance Warranty. As required by A.R.S. § 41-4401, Contractor hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Contractor further warrants that after hiring an employee, Contractor verifies the employment eligibility of the employee through the E-Verify program. If Contractor uses any subcontractors in

performance of the Work, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Contract that is subject to penalties up to and including termination of the Contract. Contractor is subject to a penalty of \$100 per day for the first violation, \$500 per day for the second violation, and \$1,000 per day for the third violation. Gilbert at its option may terminate the Contract after the third violation. Contractor shall not be deemed in material breach of this Contract if the Contractor and/or subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Gilbert retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on the Contract to ensure that the Contractor or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

d. Sudan and Iran. Contractor warrants that he/she does not have scrutinized business operations in Sudan or Iran, as prohibited by A.R.S. §§ 35-391.06 and 35-393.06, and further acknowledge that any subcontractor who is contracted by Contractor to perform work pursuant to this Contract shall warrant that they do not have scrutinized business operations in Sudan or Iran.

e. : Equal Treatment of Workers. Contractor shall keep fully informed of all federal and state laws, county and local ordinances, regulations, codes and all orders and decrees of bodies or tribunals having any jurisdiction or authority, which in any way affect the conduct of the work. Contractor shall at all times observe and comply with all such laws, ordinances, regulations, codes, orders and decrees; this includes, but is not limited to laws and regulations ensuring equal treatment for all employees and against unfair employment practices, including the Occupational Safety and Health Administration (“OSHA”) and the Fair Labor Standards Act (“FLSA”). Contractor shall protect and indemnify Gilbert and its representatives against any claim or liability arising from or based on the violation of such, whether by Contractor or its employees.

4. All other provisions of the Contract shall remain in full force and effect.

AGREED TO and ENTERED THIS ____ day of _____, 20__.

TOWN OF GILBERT

Mayor

ATTEST:

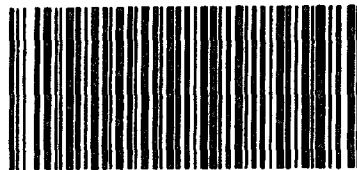
Catherine A. Templeton, Town Clerk

CONTRACTOR

Its: _____

APPROVED AS TO FORM:

Curtis, Goodwin, Sullivan, Udall
& Schwab, P.L.C., Town Attorneys
By: _____



OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
2011-1048844 12/21/11 09:02 AM
1 OF 1

MUSEJ

When recorded mail to:

Name: _____

Address: _____

City/State/Zip: _____

this area reserved for county recorder

CAPTION HEADING:

DO NOT REMOVE

This is part of the official document



When recorded return to:
CENTRAL ARIZONA COLLEGE
8470 N OVERFIELD RD
COOLIDGE AZ 85128



OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
LAURA DEAN-LYTL

DATE/TIME: 12/16/2011 1341
FEE: \$15.00
PAGES: 12
FEE NUMBER: 2011-100976



INTERGOVERNMENTAL AGREEMENT FOR SUPPORT SERVICES BETWEEN THE
TOWN OF GILBERT & CENTRAL ARIZONA COLLEGE

(The above space reserved for recording information)

DOCUMENT TITLE

DO NOT DISCARD THIS PAGE. THIS COVER PAGE IS RECORDED AS PART
OF YOUR DOCUMENT. THE CERTIFICATE OF RECORDATION WITH THE FEE
NUMBER IN THE UPPER RIGHT CORNER IS THE PERMANENT REFERENCE
NUMBER OF THIS DOCUMENT IN THE PINAL COUNTY RECORDER'S OFFICE.

**INTERGOVERNMENTAL AGREEMENT
FOR SUPPORT SERVICES BETWEEN THE
TOWN OF GILBERT AND CENTRAL ARIZONA COLLEGE
#2012-3002-0116**

DO NOT REMOVE

THIS IS PART OF THE OFFICIAL DOCUMENT.

**INTERGOVERNMENTAL AGREEMENT
FOR SUPPORT SERVICES BETWEEN THE
TOWN OF GILBERT AND CENTRAL ARIZONA COLLEGE
#2012-3002-0116**

THIS AGREEMENT ("Agreement") is entered into as of the 19th day of September, 2011 between the TOWN OF GILBERT, an Arizona municipal corporation (hereinafter "Gilbert"), and the CENTRAL ARIZONA COLLEGE, an Arizona community college district (hereinafter "CAC"). Gilbert and CAC are referred to collectively in this Agreement as the "Parties" and each individually as a "Party".

RECITALS

1. The Parties are authorized by A.R.S. §11-952 to enter into intergovernmental agreements to carry out municipal services; and
2. CAC has determined that it is in the best interest of CAC and its students to provide fire science courses; and
3. CAC has requested Gilbert to assist CAC by providing services that support the delivery of educational services to the students of CAC; and
4. The parties do not intend by this agreement that Gilbert is holding itself out to provide any services other than those described in this agreement.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, and for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows.

AGREEMENT

I. PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to set forth the terms and conditions pursuant to which Gilbert will provide support services to CAC during the term of this Agreement.

II. DEFINITIONS:

A. "Day" means calendar day, without regard to whether it is a Saturday, Sunday or holiday.

B. "Equipment" means tools of the trade associated with delivery of the services, excluding apparatus.

C. "Notice" means a written or electronic memorandum delivered to a Party or authorized designee by the other Party.

D. "Operating Expenses" means those costs directly attributable to the provision of support services to CAC pursuant to this agreement including administrative personnel costs and supporting expenses incurred by Gilbert in supporting the services provided by Gilbert to CAC.. Operating expenses include, but are not limited to, parts, supplies, maintenance, insurance, and depreciation.

E. "Personnel Expenses" means (i) those costs actually incurred by Gilbert for personnel providing support services, including employer contribution to employee retirement, including the Arizona State Retirement System; Worker's Compensation insurance attributable to an employee; employer contribution to social security for each employee; employer contribution to Medicare, benefits programs and life insurance for each employee; and employer contribution to a long-term disability program for each employee incurred by Gilbert for the provision of support services pursuant to this Agreement; and (ii) those costs actually incurred by Gilbert for the salaries and overtime compensation paid to the Gilbert personnel providing support services pursuant to this Agreement.

F. "Support Services," means those activities that support equipment cleaning, maintenance and repair.

III. RESPONSIBILITIES OF GILBERT:

A. **Equipment Maintenance and Repair.** Gilbert will perform cleaning, maintenance and repair for CAC equipment typically used by firefighters and fire science program students, including but not limited to personal protective equipment, SCBA's, hose, hydraulic tools, hand tools, and nozzles. In some cases, Gilbert may be required to send equipment to the manufacturer or qualified service center for repairs.

B. Submittal of Invoices. Gilbert shall submit monthly invoices to CAC for all personnel expenses and operating expenses on or before the 15th of the month following the month in which such expenses were incurred. Invoices will be calculated using the fee schedule outlined in Exhibit A, plus an administrative fee as set forth in Exhibit A. Any expenses incurred by Gilbert for services provided pursuant to this IGA and not covered in the fee schedule will be billed to CAC along with the administrative fee.

C. Reporting.

1. Quarterly Review. Each quarter, Gilbert and CAC shall conduct a joint activity review under the direction of Gilbert's Fire Chief, or designee, and CAC's Fire Science Program Coordinator or designee.

2. Annual Reports. Gilbert shall include the services provided to CAC as part of its regularly prepared annual report, a copy of which shall be filed with CAC's Fire Science Program Coordinator within 15 days after said report is published each year, said requirement to continue for the life of this Agreement in a format mutually agreed to by the Parties hereto which shall provide information specific to fire and emergency service within CAC.

D. Audit of Records. Gilbert's records (hard copy, as well as computer readable data), and any other supporting evidence deemed necessary by CAC to substantiate charges and claims related to this agreement shall be open to inspection and subject to audit and/or reproduction by CAC's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the work, and any invoices, change orders, payments or claims submitted by Gilbert or any of its payees pursuant to the execution of this contract. CAC's authorized representative shall be afforded access, at reasonable times and places, to all of Gilbert's records and personnel related to this Agreement pursuant to the provisions of this article throughout the term of this Agreement and for a period of three (3) years after final payment.

IV. RESPONSIBILITIES OF CAC:

A. Financial. CAC shall pay all personnel expenses and operating expenses. CAC shall pay invoices received from Gilbert within fifteen (15) days of receipt of such invoice.

B. Contract Administration and Liaison. The CAC Fire Science Program Coordinator will designate a contract administrator and point of contact for Gilbert. In addition, CAC will identify liaisons that may be responsible for specific areas covered by this Agreement.

C. Supply and Equipment Purchases, Storage and Delivery. When items to be purchased are not common to both Parties, CAC will be responsible for procurement of the items and payment. Gilbert will provide storage in its fire resource facility adequate to handle supply level. CAC will follow Gilbert procedures when requesting equipment cleaning, maintenance and repair from the Gilbert fire resource division. CAC will be responsible for the delivery, and related costs, of all equipment between the Gilbert fire resource facility and CAC.

V. GENERAL PROVISIONS:

A. Nothing in this Agreement shall be construed to mean that the Gilbert holds itself out as a provider of educational services to CAC and Gilbert's obligations are limited by the terms of this Agreement to provide support services to CAC pursuant to the specific terms and conditions of this Agreement.

B. Indemnification.

1. Indemnity of CAC. To the fullest extent permitted by law, Gilbert, its successors, guarantors, and any assignees shall defend, indemnify and hold harmless CAC, its authorized agents, authorized representatives, officers, directors, officials and employees from and against any and all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, liabilities, fines, charges, penalties, judgments, orders, remedial actions of any kind, and all costs and cleanup actions of any kind, all costs and expenses incurred in connection therewith, including but not limited to, reasonable attorney fees, court costs, and the cost of appellate proceedings, and all reasonable fees from experts or other professionals, costs of defense, related to, arising from or out of, directly or indirectly, in whole or in part, or resulting from any actions caused by Gilbert, or its employees, authorized agents, authorized representatives or contractors in the course of providing services under this Agreement.

2. Indemnity of Gilbert. To the fullest extent permitted by law, CAC, its successors, guarantors, and any assignees shall defend, indemnify and hold harmless Gilbert, its authorized agents, authorized representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, liabilities, fines, charges, penalties, judgments, orders, remedial actions of any kind, and all costs and cleanup actions of any kind, all costs and expenses incurred in connection therewith, including but not limited to, reasonable attorney fees, court costs, and the cost of appellate proceedings, and all reasonable fees from experts or other professionals, costs of defense, related to, arising from or out of, directly or indirectly, in whole or in part, or resulting from any actions caused by CAC, or its employees, authorized agents, authorized representatives or contractors in the course of providing services under this Agreement.

3. Indemnity's Effect on Insurance Provisions. Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of these paragraphs and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of these paragraphs shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

C. Insurance Representations and Requirements. Each party shall maintain insurance coverage to insure against the risks associated with the duties to be performed by each party pursuant to the terms of the Agreement. The Parties further agree that they are not joint employers for the purpose of workers compensation coverage and that either Party's employees shall remain an employee of such Party. To the extent that employees of one Party performs

duties on behalf of another Party, such employee shall be deemed to be an "employee" of both public agencies while performing pursuant to this Agreement solely for purposes of A.R.S. § 23-1022 and the Arizona Workers' Compensation laws. Gilbert shall be solely liable for any workers' compensation benefits, which may accrue. Each Party shall post a notice pursuant to the provisions of A.R.S. § 23-1022 in substantially the following form:

"All employees are hereby further notified that they may be required to work under the jurisdiction or control or within the jurisdictional boundaries of another public agency pursuant to an intergovernmental agreement or contract, and under such circumstances they are deemed by the laws of Arizona to be employees of both public agencies for the purposes of worker's compensation."

D. Term. Unless sooner terminated in accordance with this Agreement, the term of this Agreement shall commence on September 20, 2011 and continue for a period of one (1) year (the "Initial Term"). Upon ninety (90) days written notice by CAC prior to the expiration of the Initial Term, this Agreement may be extended for five (5) additional terms of one (1) year each (the "Extended Term"), upon mutual agreement. Upon notification by CAC, Gilbert will amend Exhibit "A" to reflect changes to the fee schedule.

E. Termination. Either party may terminate the Agreement with ninety (90) days notice to the other party. Within thirty (30) days of the end of the agreement, Gilbert will provide a final invoice to CAC. CAC will make full payment to Gilbert within fifteen (15) days of receipt of such invoice. Gilbert will return all CAC owned equipment and supplies in its possession to CAC within fifteen (15) days following the end of the agreement.

F. Notices. All notices, consents, approvals and other communications between the Parties provided for herein or given in connection herewith (each, a "Notice") shall be validly given, made, delivered or served in writing and delivered personally or sent by certified United States Mail, postage pre-paid, return receipt requested to:

Gilbert: Town of Gilbert
 Attn: Fire Chief
 85 East Civic Center Drive
 Gilbert, Arizona 85296

With copy to: Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C
 501 East Thomas Road
 Phoenix, Arizona 85012-3205

CAC: Central Arizona College
 Attn: Vice President of Finance and Administration
 8470 North Overfield Road
 Coolidge, Arizona 85128

With copy to: Central Arizona College

Attn: Michael Beers
8470 North Overfield Road
Coolidge, Arizona 85128

Each of the foregoing entities may specify a different address or addresses for itself by giving notice to the other entities. Any notice or other communication directed to a Party shall become effective upon the earliest of the following: (a) actual receipt by that Party; (b) delivery to the address of the Party, addressed to the Party; or (c) if given by certified or registered U.S. Mail, return receipt requested, 72 hours after deposit with the United States Postal Service, addressed to the Party.

G. Nonappropriation of Funds. The provisions of this Agreement for payment of funds by the Parties shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. The Parties shall be the sole judge and authority in determining the availability of funds under this Agreement and each Party shall keep the other Party fully informed as to the availability of funds for its obligations under this Agreement. The obligation of the Parties to make any payment pursuant to this Agreement is a current expense of the Parties, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of the Parties. If the Town Councils of the Parties fail to appropriate money sufficient to pay the amounts set forth in this Agreement to provide the services contemplated herein during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the Parties shall be relieved of any subsequent obligation under this Agreement.

I. Miscellaneous Provisions.

1. Exhibits. All exhibits attached to and referenced in, this Agreement are by this reference incorporated herein.

2. Default. Except for circumstances that create an unreasonable threat to the health and safety of the community, failure or unreasonable delay by either Party to perform or otherwise act in accordance with any term or provision hereof shall constitute a default of this Agreement if not cured within thirty (30) days after the defaulting Party's receipt of written notice thereof from the non-defaulting Party (the "Regular Cure Period"); provided, however, that if the failure or delay is such that more than thirty (30) days would reasonably be required to perform such action or comply with any term or provision hereof, then the Party shall have such additional time as may be necessary to perform or comply so long as the Party commences performance or compliance within said thirty (30) day period and diligently proceeds to complete such performance or fulfill such obligation. In the situation of an unreasonable threat to the health and safety of the community, failure or unreasonable delay by either Party to perform or otherwise act in accordance with any term or provision hereof shall constitute a default of this Agreement if not cured within 48 hours after the defaulting Party's receipt of written notice thereof from the non-defaulting Party (the "Exigent Cure Period").

3. Entire Agreement. This Agreement constitutes the entire agreement between the Parties. All prior and contemporaneous agreements, understandings, negotiations, representations and understandings of the Parties, oral or written, are hereby superseded by this Agreement.

4. Recordation. CAC shall cause this Agreement to be recorded in the official records of the Maricopa County Recorder (the "County Recorder"), the official records of the Pinal County Recorder and the official records of the Secretary of State (the "Secretary of State") within ten (10) days after its approval and execution.

5. Amendment. Except as otherwise specifically provided herein, no change or addition is to be made to this Agreement except by written amendment approved by CAC and the Gilbert Council. Within ten (10) days after the execution of the amendment to this Agreement by the Town, such amendment shall be recorded in the applicable Official Records of the Maricopa County Recorder, Secretary of State and Pinal County Recorder.

6. Waiver. No waiver by any Party of a breach of this Agreement will be construed as a waiver of a succeeding breach of the same or any other covenant of this Agreement. No delay in exercising any right granted by this Agreement will constitute a waiver of that right. No waiver shall be effective unless it is in writing and is signed by the Party asserted to have granted such waiver.

7. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original; but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument.

8. Captions. The captions used in this Agreement are inserted for convenience in reference only and are not to be used to interpret or construe this Agreement.

9. Incorporation of Recitals. The recitals to this Agreement are hereby affirmed by the Parties as true and correct and are incorporated in and made a part of this Agreement by this reference.

10. Good Standing; Authority. Each of the Parties represents and warrants to the other that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to bind the Party on whose behalf each such individual is signing.

11. Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable (or is construed as requiring the Town to do any act in violation of any constitutional provision, law, regulations, Town code or Town charter), such provision shall be deemed severed from this Agreement and this Agreement shall otherwise remain in full force and effect, provided that this Agreement shall retroactively be deemed reformed to the extent reasonably possible in

such a manner so that the reformed agreement provides essentially the same rights and benefits (economic and otherwise) to the Parties as if such severance and reformation were not required. The Parties further agree, in such circumstances, to do all acts and to execute all amendments, instruments and consents necessary to accomplish and to give effect to the purposes of this Agreement, as reformed.

12. Governing Law. This Agreement shall be governed, construed and controlled according to the laws of the State of Arizona.

13. Attorneys' Fees. In the event any action, suit or proceeding is brought by any Party to enforce compliance with this Agreement, to exercise any rights or remedies under this Agreement, or to declare the rights of the Parties to this Agreement, the Party which does not prevail shall pay to the prevailing Party all costs and expenses of such action, suit or proceeding, together with such sum as the court (and not the jury) may adjudge reasonable as attorneys' fees to be allowed in said suit, action or proceeding.

14. Conflict of Interest Statute. This Agreement is subject to, and may be terminated by Gilbert in accordance with, the provisions of A.R.S. §38-511.

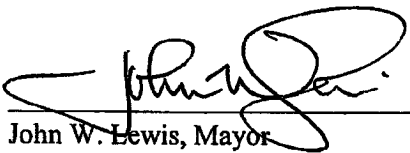
15. No Third Party Beneficiaries. No term or provision of this Agreement shall benefit any third person, or any other firm, organization, or corporation not a Party hereto, and no such person, firm, organization, or corporation shall have any right or cause of action hereunder.

16. E-Verify. As required by A.R.S. § 41-4401, each party hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Each party further warrants that after hiring an employee, it verifies the employment eligibility of the employee through the E-Verify program. If either party uses any subcontractors in performance of the Agreement, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Agreement subject to penalties up to and including termination. A party shall not be deemed in material breach if it and/or its subcontractors establish compliance with the employment verification provisions of Section 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Each party retains the legal right to inspect the papers of the other party and/or its subcontractor engaged in performance of this Agreement to ensure that the other party and/or its subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.


17. Scrutinized Business Operations: Sudan or Iran. Each party warrants that it does not have scrutinized business operations in Sudan or Iran, as prohibited by A.R.S. §§ 35-391.06 and 35-393.06.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

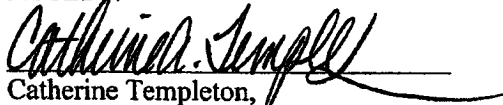
Town of Gilbert,
an Arizona municipal corporation


John W. Lewis, Mayor


Central Arizona College,
an Arizona community college
district


Chris Wodka
Vice President of Finance/Admin.


ATTEST:


Catherine Templeton,
Gilbert Town Clerk

ATTEST:


Debra Galvan
Administrative Assistant

APPROVED AS TO FORM: The undersigned attorneys acknowledge that they have reviewed the above agreement on behalf of Gilbert and CAC, and have determined that this Agreement is in proper form and is within the powers and authority granted to Gilbert and CAC under the laws of the State of Arizona.


Curtis, Goodwin, Sullivan, Udall & Schwab,
P.L.C., Gilbert Town Attorneys

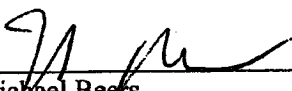

Michael Beers
CAC Legal Counsel

EXHIBIT A

- **Equipment Maintenance and Repair**
 - Internal labor: \$85.00 per hour
 - Parts: cost + 26% handling fee
 - Outside vendor: Invoice + 5% to a maximum of \$200.00
- **Administrative Fee**
 - 10.6 %